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President & CEO

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Federal Deposit Insurance Corporation
San Francisco, Regional Office
Director John F. Carter
25 Jessie Street at Ecker Square
Suite 2300
San Francisco, CA 94105

Dear Director Carter:

On behalf of myself, my bank, and my directors and also representing the 125 member banks of the Community Bankers Association of Alabama, I strongly, urge you to reject the application by Wal-Mart Stores, Inc. to charter an industrial Loan Company bank in Utah. The barrier between Banking and Commerce has played an integral part in the safety and soundness of the banking system and in maintaining a healthy U.S. economy. This barrier has been reinforced by Congress representing the American people.

In this fast moving age we are living in, with the ups and downs of our economy, it is important that Community Bankers stay closely attuned to current and emerging risk issues. Statistics show the typical community bank needs to spend 3 to 5 cents more than its large-bank counter part to generate one dollar of operating revenue. That difference is material.

Allowing a commercial or financial firm to operate a full-service nationwide FDIC insured bank, outside the framework established by Congress for the other owners of insured banks raises significant safety and soundness concerns, creates an unlevel competitive playing field and poses important questions to the Congress concerning the Nations policy of maintaining the separation of Banking and Commerce.

Because of Industrial banks more-open ownership policy, Wal-Mart Stores Inc. the so called category killer because it tends to crush competition, has tried to get into the banking business by buying an ILC. The future of the community banking industry could be at stake. The systemic risk posed by a Wal-Mart bank would be enormous. With a branch of Wal-Mart Bank in every store, small bankers plead with Congress to spare them the fate of mom and pop hardware and variety stores, which were strangled by Wal-Mart.

In 1999 Congress ended Wal-Mart's attempt to buy a unitary thrift in Oklahoma by prohibiting commercial companies from owning such a firm. In 2002 the California legislators blocked Wal-Mart's acquisition of a state bank by enacting a law preventing non financial firms from buying I.L.C's. Recently that states legislature has turned Wal-Mart down again.

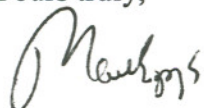
We have seen first hand what they have done to Main Street America closing down numerous mom and pop stores, and small businesses buying in such large quantities to get substantially cheaper prices which then allows them to sell for a profit at approximately the cost the small operator pays for the product putting the small operators out of business. Our small town of Headland is located near Dothan, Alabama where they have two Wal-Marts. Most of the local businesses in our town had to close up because they couldn't compete with the big stores, like Wal-Mart.

They will be able to use similar tactics if they get into banking. Pricing loans lower and deposits higher while still making a profit because of volume.

Please do not allow Wal-Mart the opportunity to price community banks out of the markets, eliminating economic growth in the community, causing the eventual demise of community banks, communities, the dual banking systems, putting in peril the F.D.I.C. insurance fund, creating another monstrous "Too Big to Fail" bank with no real control over the parent company? Community Banks have been the back bone of the smaller communities in this great country.

Thank you for the opportunity to comment. Hopefully you will prayerfully consider this application and follow the path of maintaining a strong barrier between banking and commerce, keeping a strong community banking system to serve local communities throughout this country.

Yours truly,



Mark C. Espy, Sr.
President & CEO

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